



Ninety-Eighth Legislature - Second Session - 2004  
**Introducer's Statement of Intent**  
**LB 1095**

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**Chairperson:** David Landis  
**Committee:** Revenue  
**Date of Hearing:** February 25, 2004

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Under current law, when agricultural machinery and equipment are sold at public auction, the auction company does not take possession of the property, and merely act as an agent for the seller.

Nebraska law allows an exemption from sales tax in the sale of agricultural machinery and equipment. However, if the purchaser of this equipment or machinery elects not to pay the sales tax, a Form AG-13 is now required to be filed with the Nebraska Department of Revenue, through the Property Assessment and Taxation Agency. This form is required to be filed by the Auctioneer or Auction Firm. The property then must be listed on the depreciation schedule and property taxes are required to be assessed on the property by the purchaser.

This bill would remove the requirement that Form AG\_13 be filed on agricultural machinery and equipment sold at auction.

Firms who hold these auctions may have to file 100-200 of these forms for every auction they hold, which is cumbersome paperwork.

**Principal Introducer:**

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**Senator Philip Erdman**